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Date: September 18, 2012

Route To:

Subject: Use of Funds Recovered under Secure Rural Schools Act Section 100101(b)

To: Regional Forester, R-2, Regional Forester, R-3, Regional Forester, R-8, Regional Forester, R-9

The Secure Rural Schools and Community Self-Determination Act as reauthorized in Public Law 110-343 required an eligible county that received a share of the State payment greater than \$100,000 to submit its election to allocate its share among titles of the Act not later than September 30 each year. An eligible county that failed to make a timely election was considered to have elected to return 15 percent of its share of the State payment to the U.S. Treasury as required in 16 U.S.C. 7112(d)(3)(A)(ii) as in effect for fiscal year (FY) 2011 under Public Law 110-343. For FY 2011 approximately \$2.5 million was returned to the U.S. Treasury as required by this provision.

Section 100101(b) of Public Law 112-141 makes available to the Forest Service an amount equal to the shares of the State payment forfeited by counties that failed to meet the deadline for fiscal year 2011. For purposes of this memo, these funds are referred to as recovered funds. This memo provides direction for the use of these funds.

The enclosed table shows the counties that failed to allocate funds, the resulting amounts returned to the U.S. Treasury, and the national forest to which the recovered funds will be made available.

Authorized uses. The recovered funds must be used to carry out projects that further the purposes of title II of the Act. Specifically, they are to be used to carry out projects that protect, restore, and enhance fish and wildlife habitat; improve the maintenance of existing Forest Service infrastructure; enhance forest ecosystems; and restore and improve land health and water quality. Project objectives include maintenance or obliteration of roads, trails, and infrastructure; improvement of soil productivity; improvements in forest ecosystem health; restoration and maintenance of watersheds; control of noxious and exotic weeds; and reestablishment of native species.

The projects must be actions on-the-ground with broad-based support that can be implemented relatively quickly to benefit the resources on the national forests, and, to the extent possible, provide additional local employment opportunities and improve cooperative relationships among those who manage, use, and care for the national forests. Recovered funds may be used for environmental review, consultation, and compliance with the National Environmental Policy Act and other Federal laws and regulations if directly associated with a project to be funded with the



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recovered funds. Conservation education programs, research, studies, inventories, and similar activities are not appropriate uses of the recovered funds.

Methods. To carry-out these projects, the forest supervisor may enter into and implement cooperative agreements with willing Federal agencies, State and local governments, private and nonprofit entities, and landowners for protection, restoration, and enhancement of fish and wildlife habitat, and other resource objectives consistent with the purposes listed in the preceding paragraph. Projects also may be accomplished through contracts or by force account. The forest supervisor is responsible for determining the most appropriate method of implementation and, with the advice of contracting officers (COs) and grants and agreements (G&A) specialists, for determining the appropriate acquisition instruments and procedures consistent with the memo and enclosure sent June 5, 2012, (1580/6300).

Location of projects. Although section 100101(b) of P.L. 112-141 does not require the projects to be located in the county, the forest supervisor is encouraged to locate projects to the extent possible in the county associated with the recovered funds. The projects must be on or benefit the resources on the national forest.

Implementation of previously recommended projects. The forest supervisor may, but is not required to, implement projects previously recommended by a resource advisory committee that were unfunded as a result of the FY2011 funds being returned to the U.S. Treasury. The reauthorization does not require Forest Service's use of the recovered funds to be reviewed or recommended by a resource advisory committee, but the forest supervisor is encouraged to inform the committee if these previously unfunded projects are implemented with recovered funds. Similarly, the forest supervisor is not required to consult with the county regarding the use of these funds, but is encouraged to inform county officials of proposed uses of the funds, and if appropriate, to discuss proposals with county officials. In the case of Vermont where there is no organized county government, the forest supervisor may inform or discuss proposals with state officials.

Identification of new projects. The forest supervisor may, but is not required, to solicit new project proposals from a variety of sources including tribal and county government and other Federal agencies. Solicitation for project proposals from outside the Forest Service must be broadly advertised, transparent, and accessible. As noted in the June 5, 2012, memo and enclosure (1580/6300), the advice of COs and G&A specialists will be helpful in preparing solicitations.

Availability of funds. We have requested the funds from the U.S Treasury. When they are available, Budget and Finance staff at the Albuquerque Service Center (ASC) will work with regional office staff to make the funds available to the appropriate national forest. The recovered funds remain available until expended so they may be carried over from year-to-year. However, the forest supervisor is expected to obligate and expend the recovered funds as soon as possible to benefit the resources and local community economy. Although the recovered funds are to be spent to further the purposes of title II, they are not considered to be title II funds and should be

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accounted for separately from title II funds. Management codes will be set up to keep the recovered funds separate from title II funds and facilitate tracking accomplishments

/s/ Leanne M. Marten (for)

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Enclosure

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